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From: Dellinger, Philip

Sent: Wednesday, November 04, 2015 10:09 AM

To: Moreno, Miguel

Subject: FW: EARTHQUAKES: Texas regulators close the books on quakes linked to oil and gas

companies

From: Casso, Ruben

Sent: Wednesday, November 04, 2015 7:43 AM

To: Dellinger, Philip

Subject: EARTHQUAKES: Texas regulators close the books on quakes linked to oil and gas companies

EARTHQUAKES: Texas regulators close the books on quakes linked to oil and gas companies

Mike Lee, E&E reporter

Published: Wednesday, November 4, 2015

Texas oil and gas regulators closed their case against two natural gas companies whose operations were linked to a string of earthquakes in the state, saying that there wasn't enough evidence to take action.

The three-member Texas Railroad Commission voted to approve a staff recommendation that said the study of the earthquakes wasn't conclusive, essentially clearing Exxon Mobil Corp. subsidiary XTO Energy Inc. and EnerVest Ltd. of blame. The commissioners had little comment except to praise the team that heard the case in a series of trial-like hearings.

"You and the rest of the staff did a really good job of digging into the technical meat of this issue," Commissioner Ryan Sitton said.

More than 20 earthquakes struck around Azle and Reno, Texas, between November 2013 and January 2014. This April, geologists at Southern Methodist University said in a peer-reviewed paper that two wastewater injection wells, used to dispose of the byproducts from natural gas production in Barnett Shale, were the most likely cause of the shaking (*Greenwire*, April 21).

The SMU report was significant because it pinpointed the two injection wells in the heart of the Barnett Shale gas field.

The mayors of Azle and Reno called for the Railroad Commission to shut down the injection wells. The companies denied that they were contributing to the earthquakes.

The Railroad Commission held two show-cause hearings to determine if it should close the wells or modify their operating permits. XTO and EnerVest sent several executives to testify at the hearings, but the SMU researchers and the local officials didn't appear.

The staffers who heard the case praised the SMU report as a good start at understanding the earthquakes, but said it didn't provide enough proof to take action against the oil companies. At the same time, the staff rejected the companies' argument that the earthquakes were completely natural (*Greenwire*, Sept. 1).